



State of Washington

AFFORDABLE HOUSING ADVISORY BOARD

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Faith Pettis
Board Chair

Vacant
Residential Construction Industry

Jim Potter
Residential Construction Industry

Bryan Friend
Mortgage Lending Industry

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Mortgage Lending Industry

Wanda Coats
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Kevin Grossman
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Chris Lowell
Homeless Shelter Operations

Shaw Seaman
Special Needs Populations

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Low Income Housing

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Chris Pegg
Public Housing Authorities

Obie O'Brien
Counties, Eastern WA

Vacant
Counties, Western WA

Vacant
Cities, Eastern WA

Lauren Walker
Cities, Western WA

David Stillman
Ex-Officio, Dept. of Social & Health Services

Kim Herman
Ex-Officio, Housing Finance Commission

Dan McConnon
Ex-Officio, Dept. of Commerce

BOARD MEETING SUMMARY

Wednesday, December 4, 2013

1:00pm to 3:00pm

Washington State Housing Finance Commission – Seattle, WA

ATTENDANCE

Faith Pettis, Dan McConnon, Connie Devaney, David Stillman, Shaw Seaman, Paul Purcell, Chris Pegg, Chris Lowell, Wanda Coats, Bryan Friend, Mike Adolfae, Tony To, Jim Potter, and Obie O'Brien.

STAFF

Janet Masella, Tedd Kelleher and Cherish Rahikainen.

GUESTS

Paul Edwards, Washington State Housing Finance Commission
Leslie Price, Washington State Housing Finance Commission
Sean Flynn, Staff Counsel, Washington State House of Representatives
Michele Thomas, Washington Low Income Housing Alliance
Ben Minsch, Washington Low Income Housing Alliance

INTRODUCTIONS AND CONFIRMATION OF AGENDA

Faith Pettis

Faith summarized the agenda.

APPROVAL OF MINUTES

The August 2013 meeting summary was approved.

REPORT FROM THE CHAIR

Faith thanked Board members for attending and introduced David Stillman, newly appointed ex-officio member representing the Department of Social and Health Services. David is the Assistant Secretary of the Economic Services Administration and is responsible for overseeing several programs directly connected to affordable housing and self-sufficiency such as TANF/WorkFirst, Basic Food Assistance, Disability Lifeline, and Child Support. He looks forward to participating in this role and helping to advise Commerce on housing and housing-related issues.

Since the last Board meeting, Faith attended the Housing Washington Conference in October. She was delighted to see many Board members attend, as well. We may look into aligning a Board meeting with this event in the future. She also attended, by invitation, the Association of Washington Housing Authorities' meeting to discuss the Needs Study.

Faith, Kevin Grossman and Dan McConnon recently met with Kendee Yamaguchi, Assistant Director of the Local Government and Infrastructure and Jeff Wilson, newly-appointed Managing Director of the Growth Management Unit to share the Board's work on growth management issues, including the 2006 GMA Report produced by AHAB. Kendee and Jeff are interested in these topics, specifically SEPA, and will take a deeper look at them.

Faith participated in an all-day kick-off meeting with Commerce, the WSHFC, AHAB members and Mullen & Lonergan Associates, Inc. out of Pennsylvania, the consultants for our Affordable Housing Needs Study. The team continues to stay up-to-date with bi-weekly calls with the consultants. If you are interested in listening in on the calls, please let Faith know. Faith and Board members extended their thanks to Chris Pegg, Chris Lowell and Wanda Coats for their assistance and persistence in getting commitments from funders for this project.

2014 LEGISLATIVE PRIORITIES AND REQUEST FOR BOARD SUPPORT

Washington Low Income Housing Alliance

Michele Thomas and Ben Minsch shared the Washington Low Income Housing Alliance's 2014 legislative priorities, including:

- Housing Trust Fund
 - Support for the Housing Trust Fund at 4% of the total Capital budget.
 - Include broader categories of project types and allow the Department of Commerce enough flexibility to ensure funds are invested in viable projects that best address local priorities and leverage maximum resources.
 - Supplemental appropriations for a project list with a competitive pool of funds to be allocated by the Department of Commerce.
- Document Recording Fees – Address 2015 and 2017 sunsets of fees.
- Fair Tenant Screen Act – Address high cost of repeated tenant screening fees and enact new standards defining which eviction lawsuits can and cannot be reported by tenant screening companies.
- Housing and Essential Needs – Protect the program.
- Leveraging Medicaid expansion to end homelessness to:
 - Ensure that services for people living in supportive housing can be billed to Medicaid that the reimbursement rate is sufficient and that services to all tenants can be billed.
 - Transfer some healthcare savings realized by permanent supportive housing back to expand access to this kind of housing that successfully gets chronically homeless people housed.

Document Recording Fee

Tedd Kelleher shared potential legislation Commerce is drafting related to removing the sunset on the existing document recording fee dedicated to homeless housing. This legislation will make the document recording fee permanent which is supported by some county auditors and will help alleviate some funding uncertainty that limits effective planning at the local level.

Motion: Moved by Chris Pegg for the Board's general support of the repeal of the document recording fee sunset.

- Ayes: 10
- Nays: 0
- Abstain: 1

According to the annual U.S. Department of Housing and Urban Development (HUD) report released on November 21, Washington was the fifth most successful state in reducing homelessness in 2013. To view the full report, please [click here](#).

Foreclosure Deed of Trust Act

A group of about 50 stakeholders representing various parties and interests have been engaged in conversations around three or four problematic issues that have come out of the Foreclosure Fairness Act. Most importantly, this act was legislatively tied to the Deed of Trust Act, which has a different and conflicting definition of a beneficiary. This issue needs resolution to provide clarification and in order to assist the Department of Commerce with technical interpretation.

Another issue relates to funding percentages tied to the Foreclosure Fairness Act. For example, a specific percentage of funds are allocated toward mediation, legal aid, etc. As the economy and housing market change, these percentages will no longer meet the needs of Commerce and homeowners.

Dan believes the other issues can be addressed through rulemaking.

Conversations between Commerce and foreclosure stakeholders will continue. There is no request of support from the Affordable Housing Advisory Board at this time.

Policy Subgroup Update

Faith reported on the status of the four policy issues approved by the Board at its last meeting. The purpose of the meeting with the Local Government and Infrastructure and GMA staff was to look for other avenues to promote the issues surfaced by the subcommittee and approved by the AHAB. We will continue to find ways to promote those issues.

COMMERCE / LEGISLATIVE & BUDGET UPDATE

Assembly Days Overview

Commerce presented at several work sessions at Assembly Days including a presentation to the House Community Development, Housing & Tribal Affairs on affordable housing and the House Judiciary on foreclosure issues and implementation of the Foreclosure Fairness Act. Faith, representing AHAB, also presented to the House Community Development, Housing & Tribal Affairs committee on the Needs Study.

The issue of prevailing wage came up during the transportation special session.

Dan expects the Governor's budget to be released within the next couple of weeks. The Governor's job package is still under development.

HOUSING TRUST FUND LIST

Faith distributed a draft letter for the Board's review. Upon approval, the letter will be sent to members of the Legislature to state the Board's position on the Housing Trust Fund capital funding and recommendations for the Legislature to consider when making allocation decisions.

Faith feels we will be in a good position next year to use the comprehensive data collected from the Needs Study to inform Housing Trust Fund allocations.

Tony To routed his comments regarding homeownership and Lauren Walker sent comments. Shaw Seaman suggested changing reference of “disabilities” to “developmental disabilities” throughout each document. Please send additional comments to Faith by close of business Friday, December 6.

Motion: Moved by Chris Pegg for Faith Pettis to approve Board members’ suggested edits and send the letters to select members of the House and Senate.

- Ayes: 11
- Nays: 0
- Abstain: 0

NEEDS STUDY UPDATE

Leslie Price reported that the Affordable Housing Needs Study is on schedule and on task. Mullen & Lonergan Associates, Inc. expects to have a draft report to us on March 1. The final is expected to roll out on May 1.

A survey will go out to Housing Authorities as a dry run within the next couple of weeks to ensure the data we are collecting is meeting their business needs and expectations. The data will be provided at a statewide and county level, as well as certain specific cities/towns that are largely different than their surrounding areas.

The Board members discussed ways to stay informed about progress. Leslie will provide Board members with the deliverables and milestones list.

ANNUAL LEGISLATIVE REPORT

Cherish Rahikainen routed the draft 2013 Affordable Housing Update for review and comment. Please take a moment to review and provide your feedback to Cary Retlin at cary.retlin@commerce.wa.gov by close of business Monday, December 9.

SUBCOMMITTEE AND OTHER REPORTS

Policy Advisory Team (PAT)

The Policy Advisory Team is scheduled to meet on December 11. Their agenda will focus on Housing Trust Fund 2013 funding results and 2014 planning. Subcommittees out of the Housing Trust Fund Cost Policy continue to meet on incentives during development, regulatory requirements and long-term operating costs.

State Advisory Council on Homelessness (SACH)

Chris Lowell reported that the Council is working to send a letter to Governor Inslee thanking him for his attention to Medicaid and housing and homelessness issues. Washington has reduced homelessness amongst veterans significantly over the past two years because of the systems and infrastructure that have been put into place. The Council is also asking for an additional 3,000 VASH vouchers by writing a letter to President Obama, the U.S. Department of Housing and Urban Development and the U.S. Department of Veterans Affairs.

Board members added that the elderly (specifically women over 70 years old) are the fastest growing population amongst Washingtonians who are chronically at-risk of becoming homeless.

CLOSING REMARKS

Please confirm your availability for the proposed 2014 Board meetings via the Doodle poll sent from Cherish on December 3, 2013. Per AHAB's Bylaws, the Board shall adopt an annual schedule of regular Board meetings for each calendar year at the first meeting of the year.

MEETING ADJOURNED 3:00pm

Next Meeting: ***Monday, March 31, 2014***
 1:00pm to 4:00pm
 King County area – Location to be determined